

APPENDIX III **January 2008** **Economic Support Funds (ESF)**

Objective 1: Security Track

a. Provincial Reconstruction Development Council Funds

Provincial Reconstruction Teams (PRTs) are joint civilian-military groups of diplomats, military officers, and other specialists with expertise ranging from development and entrepreneurship to engineering and the rule of law. They work with Iraqi-led Provincial Reconstruction Development Councils (PRDCs) to identify and execute priority projects that strengthen the ability of provincial governments to deliver essential services and key development projects to their communities. By helping Iraqi communities provide for their own needs, PRTs help build the stability needed for Iraq to emerge as a secure and prosperous society.

Fiscal Year 2006 funds (\$315 million) for PRDC projects are almost fully allocated. On a geographic basis, initial allocations included approximately \$118 million for Baghdad, \$40 million for Basrah, \$16 million for Anbar, \$9 million for each of the other 15 provinces, and \$5 million for flood relief in the north. The value of projects actually approved for a given province varied somewhat from the original allocated amount.

FY 2006 Supplemental Funds Allocation (as of December 15, 2007)

Province	Allocated Amount	Approved Projects	Total Cost of Approved Projects
Ninawa	\$9,110,000	4	\$10,145,125
Kurdistan Regional Government (Erbil, Sulaymaniyah, Dahuk, flood)	\$31,730,000	29	\$32,312,339
Kirkuk	\$8,930,000	10	\$10,804,393
Salah ad Din	\$8,930,000	6	\$8,099,470
Diyala	\$8,930,000	1	\$8,155,000
Baghdad	\$118,000,000	68	\$110,332,960
Anbar	\$15,930,000	7	\$16,320,309
Babil	\$8,930,000	1	\$6,321,838
Maysan	\$8,930,000	6	\$9,548,055
Muthana	\$8,930,000	13	\$8,566,142
Najaf	\$8,930,000	8	\$9,939,349
Karbala	\$8,930,000	6	\$11,324,159
Wasit	\$8,930,000	11	\$12,021,811
Diwaniya (Qadissiya)	\$8,930,000	7	\$8,274,019
Basrah	\$40,000,000	6	\$38,186,279
Thi Qar	\$8,930,000	18	\$9,644,013
Planning and Development	\$2,000,000		\$2,000,000
Total	\$ 315,000,000	201	\$ 311,995,261

FY 2007 Supplemental funding for PRT-implemented projects (\$600 million) continues to be executed. A total of \$385 million in FY07 funds has been designated for PRDC projects. \$134 million of this total has been designated by the Embassy for specific projects, which are currently being executed through the U.S. Army Corps of Engineers' Gulf Region Division (GRD). An additional \$90 million has been designated for provincial technical assistance projects, as well as \$125 million for the PRT Quick Response Fund (see next section).

U.S. Government Implementing Agencies: USAID, Department of State, and Department of Defense

Accomplishments:

- PRDCs across Iraq's provinces have forwarded prioritized lists of projects totaling \$478 million to the field operations team in Baghdad for consideration. This quarter, ITAO approved project funding for \$60.7 million in FY 2007 Supplemental funds across Iraq's 18 provinces. Approved projects are either in the procurement process or have already been awarded. 27 contracts for PRDC projects were awarded, totaling \$50.2 million; construction began on 115 other projects with a total work-in-place value of \$115.2 million.
- Completed 13 projects with a construction contract value of \$3.4 million. Projects completed this quarter included:
 - Completed construction of an electrical distribution system for 400 houses located in the Qallat Bnaslua quarter of Erbil, Iraq. This project will provide power for 2,000 people and the community school.
 - Completed construction of the Bin-Qalat bridge and road in the Rosti Valley. This route will serve 3,000 residents across a dozen villages, providing passage through mountainous terrain to conduct trade. The previous bridge had been destroyed by flooding.
 - Completed water and electrical projects for eight villages in the North that were affected by the extreme floods of November 2006. Projects included repairing and replacing water lines, constructing new water storage tanks and channels, and installing generators and electrical lines.
 - Completed school and irrigation projects in Sulaymaniyah province, including construction of two four-classroom schools, repairs to damaged irrigation channels, and construction of retaining walls, culverts, drainage channels, and a sedimentation tank to move water through the city of Rania to prevent future flooding.
- Members of PRTs have worked closely with provincial officials to develop budget plans and improve their budget execution performance. This has been the first full year in which provincial governments have had control over the budgeting process. As a result of PRT assistance, provincial governments have been increasingly able to commit the funds they receive, in spite of the need to commit and disburse funds from both 2006 (which were disbursed from the central government only at the end of 2006) and 2007 simultaneously.

b. PRT Quick Response Fund (QRF)

The Quick Response Fund (\$125 million in ESF funding) was established to accelerate economic and social development within Iraqi provinces. The fund is administered by PRT staff who identify worthy projects at the local level that build the capacity of local neighborhood and government officials to deliver services transparently, empower women and youth, and support civil society and small businesses. The Department of State is executing \$25 million of QRF funds through small grants and micro-purchases, cooperating closely with USAID, which is executing \$100 million through grants and contracts of up to \$200,000.

U.S. Government Implementing Agency: Department of State and USAID

Accomplishments:

- USAID has signed 15 QRF grant agreements (totaling \$1,770,328, with an average budget per grant of \$118,022) as of December 6. These grants cover a wide range of activities including school and hospital rehabilitation and equipment, court enhancement, agriculture, media, journalism, and vocational training. USAID works mainly with Iraqi local NGOs and local associations, and civil society organizations for conflict mitigation.
- The Department of State had signed 60 grant agreements (totaling \$4,992,000) and executed micro-purchases and direct procurements (totaling \$3,978,000) as of December 6. Seven grant proposals totaling to \$1,181,000 were at the final stages of award. These awards will support projects including a woman-owned small catering business, independent media, and a variety of small agricultural projects.

c. Local Governance Program

The Local Governance Program (LGP) (\$245 million in ESF funding) works closely with Iraqis in all 18 provinces, actively supporting and complementing PRT initiatives to promote diverse and representative citizen participation in provincial, municipal, and local councils. LGP also strengthens the management skills of city and provincial administrators, local interim representative bodies, civil society organizations (CSOs), and civic institutions in order to improve the delivery of essential municipal services (including water, sewer, electricity, and solid waste collection and disposal).

Since the establishment of the LGP, the program has organized 22,000 discussions to educate more than 750,000 Iraqis on democracy and political transitions. Additionally, the LGP has trained 2,000 council members (15 percent women), 28 governors, 42 deputy governors, 420 director generals, and key staff in 380 departments and all of the provincial councils elected in January 2005. The LGP has also assisted in the development of a draft Local Governance Code that was agreed to by all 18 governorates.

U.S. Government Implementing Agency: USAID

Accomplishments:

- USAID provided training, technical assistance, and staff support to the Local Government Association (LGA) for lobbying the central government on the passage of a new provincial powers act and on the 2008 budget allocations.
- USAID helped 17 of Iraq's 18 provinces create Provincial Development Strategies (PDS) through a broadly participatory and representative process involving local leaders and citizens. The Provincial Development Strategies will guide budget allocations and public investment decisions for the next three to five years.
- Published an Arabic version of the District Government Field Manual, a guide to local government in Iraq (published by LGP in English in the previous quarter). This manual remains the only publication in English or Arabic that explains for a lay audience the operation of Iraqi government.
- Worked with the federal Ministry of Electricity to help develop a plan for restructuring electrical power service delivery, privatizing power generation, and decentralizing electric power distribution to local government, mainly at the district and sub-district levels.
- Planned with the Kurdistan Regional Government Minister of Electricity for an international electricity conference in March 2008 as part of the development of an electricity master plan for the Kurdistan region.
- Launched an economic development action and assessment team to conduct a wide-ranging study on public policies in the Kurdistan region to enhance productivity and competitiveness.
- Published a legal analysis of the Iraqi Federal Supreme Court's opinion affirming the ability of local councils to pass legislation and raise revenues and upholding the constitutionality of a requirement that elected councils contain at least 25 percent female members.
- Serving as technical leader, worked closely with OPA, the U.S. Treasury, BearingPoint, and Grant Thornton on the development of a new Financial Management Information System (FMIS) to be used in provinces across Iraq.
- Continued with the establishment of urban planning/Geographical Information System centers, training 50 staff engineers and distributing equipment to be used in the 18 centers (one in each province).
- Helped establish a solid waste department in the municipality of Kirkuk and assisted in the construction of a transfer station and a sanitary landfill that will be operational in mid-February 2008.
- Assisted Baghdad municipal officials in conducting quality assurance inspections and resolving security and operational issues to open Al-Boetha Landfill.
- Held a conference to review and make recommendations on the new draft law on oil and gas revenues. The conference drew elected officials, oil company representatives, civil society organizations, economic experts, oil experts, and legal authorities.
- Assisted Falluja officials in re-launching the city's previously inoperative Water and Sanitation Committee.
- Worked with officials from the Babil Provincial Council and officials of the Hilla Textile Factory to reopen a factory to produce velvet.
- Promoted women's rights and the role of women leaders through a series of activities including a conference titled "Woman is a Fundamental Partner in Social Development"

(Basra, October 10) a seminar on “Women in Islam” (Erbil, October 4), and a conference on combating the practice of honor killing (Sulaymaniyah, September 10-11).

d. Community Stabilization Program in Strategic Cities

The Community Stabilization Program (CSP) (\$514 million in ESF funding) focuses on reducing the incentives for young men to participate in sectarian violence and insurgent activities in two ways. First, CSP employs or otherwise engages disenfranchised young men who have suffered from violence or are at risk of participating in insurgent or militia activity. Second, CSP activities also provide limited job skills and small in-kind grants that provide tools and opportunities for at-risk Iraqis to create more sustainable employment and to productively re-engage in society. CSP implementation often takes place in support of Multinational Force-Iraq (MNF-I) and Iraqi Security Force “Clear-Control-Retain” operations. The program is conducted in close collaboration with Iraqi local government bodies and responds to critical needs in Iraqi communities. CSP is currently implementing social and economic stabilization programs in 19 cities and is planning to expand operations to an additional four in early 2008.

In consultation with MNF-I, PRTs, agencies, and local communities, CSP selects neighborhoods and districts for short-term projects that generate significant employment in the provision of essential services and public works. CSP also provides activities for Iraqi youths, such as sports tournaments, cultural events, and arts activities. The program generates long-term employment through business development, including in-kind micro-grants to Iraqi small businesses and business skills training. In collaboration with the Ministry of Labor and Social Affairs, CSP supports vocational education in skill areas identified through formal and informal market surveys. CSP also works to place vocational education graduates in long-term jobs with the assistance of employment agents and through a subsidized apprenticeship program. The program is also developing a network of employment service centers to research market demand and help place unemployed Iraqis in long term jobs.

U.S. Government Implementing Agency: USAID

Accomplishments:

- CSP’s expansion continues to proceed well. The implementer’s flexibility has been instrumental in adjusting to meet evolving priorities for coalition forces, including adjusting its expansion plans to accelerate roll-out to Baiji and Tikrit. As of this writing, CSP’s planned expansion is nearly complete. The program anticipates an additional \$155 million in FY08 resources to continue effectively complementing the military surge.
- CSP implemented activities this quarter that provided nearly 240,000 person-months of employment in short-term community infrastructure and essential services. Calmer security conditions have increased ability to generate employment in all areas of Baghdad. The program’s expansion to new areas over the quarter resulted in an average daily employment level of 65,568 by the final week of November.
- During this quarter, an average of 1,572 participants was receiving vocational training in Baghdad at any given week. To date, a total of 10,978 students have graduated from these programs. An average of 1,070 Iraqis per week participated in CSP’s apprenticeship

program this quarter, with a total to date of 3,308 Iraqis finding jobs in non-apprenticeship positions.

- Processed 4,087 grants to support business development, creating an estimated 14,800 long-term jobs of more than three months' duration.
- Provided business skills training to 3,717 people.
- An average of 8,619 youths per week participated in non-formal education activities over the quarter.

e. Infrastructure Security Protection for Oil, Water, and Electricity

The Infrastructure Security Protection (ISP) program (\$227 million in ESF funding) plans and executes programs to provide security for infrastructure related to oil, water, and electricity. Projects are primarily of the following types:

- **Exclusion Zones:** Creating a protected area to provide security to linear infrastructure, typically consisting of fencing, setbacks, towers, berms, and ditches.
- **Facilities Hardening** (forward operating bases, power lines, water stations): Improving existing critical infrastructure to withstand interdiction attempts and security breaches. This can include chain-link fence, razor wire, guard towers, structural hardening, lighting, perimeter berms, hesco barriers, and concertina wire.
- **Integrity:** Security programs that focus on biometrics, identity cards, redundancy and viability in equipment, and other safety equipment necessary to eliminate single points of failure.
- **Support:** Programs that support the sustainment and maintenance of enduring security programs, such as life support, security facilities, and training programs.

ISP projects are implemented under an Interagency Agreement between the Department of State and USACE, under which the USACE Gulf Region Division is responsible for the execution and disbursement of \$227 million in FY 2006 Supplemental funds as well as quality assurance oversight. The agreement identifies project lists for all three sectors and fully obligates the funds available for Infrastructure Security.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

The following key projects are currently being executed through the ISP program:

- Oil pipeline exclusion zone projects (\$110 million) continue to be carried out along the key pipeline corridors of Baiji to Kirkuk, Baghdad to Karbala, and Baiji to Baghdad. These projects represent an investment in protecting oil distribution infrastructure and are in various stages of completion, ranging from the initial survey stage to approximately eight percent of total completion.
- Hardening projects (\$51 million) continue to be carried out for electrical transmission lines, electrical substations, petro-chemical refineries, water treatment plants, power

generation plants, and offshore oil platforms. Completion rates range from water treatment plants being bid out for construction to electrical substations that are nearly complete.

- Intrusion systems and integrity and support projects (\$66 million) focus on mitigating specific point vulnerabilities through the use of technology (in ground intrusion detection systems, remote observation platforms, or early warning devices), specific application of equipment or parts (critical surge relief valves, quick response oil repair kits, or security force background vetting), or support activities (training facilities/programs, life support facilities in support of security).
- Oil pipeline rapid repair team kits (RRTs) (\$11 million) are the final layer in a multi-layered infrastructure security strategy. If all other security measures are defeated, RRTs will provide a quick repair capability to mitigate losses of product and revenue and environmental damage. RRTs will be focused on the Bayji to Baghdad corridor and Baghdad energy infrastructure. This effort will ensure first responders have the correct equipment, including cranes, backhoes, front end loaders, and trucks.
- Improvements to KAAOT (\$5.5 million) will provide containerized living units for 60 Iraqi government personnel as well as office space, medical offices, and storage containers. These upgrades will directly support security personnel standing watch on the oil platform.
- Currently 60 separate ISP contracts totaling \$125.7 million have been awarded, of which 44 have begun (\$123.7 million). Ten projects totaling \$84.8 million are programmed but have not yet been awarded.
- Security improvements at Kirkuk Taza Power Plant were completed this quarter. These security improvements included an asphalt access road connected to an existing highway for easy access to the power plant, and installation of jersey barriers along the access road and gates, lighting, and concertina wire along the perimeter.

f. Community Action Program (CAP) II

The Community Action Program (\$145 million in ESF funding) builds upon previous community development efforts and further strengthens the links between communities and their governments. CAP will facilitate formal community coordination with local and provincial governments, promote transparency and accountability at all levels, and encourage local ownership of public goods.

U.S. Government Implementing Agency: USAID

Accomplishments:

- USAID expanded the Community Action Program by \$55 million, doubling the pace of community projects.
- Established four new offices in Anbar province.
- Completed almost 850 community projects, with 425 new projects under way across all provinces.

- Helped bring different communities together in conflict-mitigation dialogues, leading to broader projects *between* communities that address the sources of conflict.

CAP continues to manage the Marla Ruzicka War Victims Fund (\$10 million) to assist innocent victims of coalition action, which helps CAP quickly earn community acceptance and builds trust in areas recently emerging from conflict.

Objective 2: Economic Track

a. Infrastructure Capacity Development Training and Technical-Level Management

Programs in this category (\$60 million in ESF funds) focus on strengthening essential service ministries through Operation and Maintenance (O&M) training programs for primarily technician-level operators at major electricity power plants, water and wastewater plants, and select health, transportation, and communication facilities. Training includes preventive maintenance planning and scheduling, inventory control systems, spare parts forecasts and procurement, apprenticeship and certification programs with existing Iraqi technical institutes, and, in the power sector, planning for annual maintenance outages.

Identified projects, including 68 specific efforts, are implemented under an Interagency Agreement between the Department of State and USACE, under which the USACE Gulf Region Division is responsible for executing and disbursing the \$60 million in FY 2006 Supplemental funds obligated for technical training. Planned efforts span the essential services of electricity, health care, transportation, communication, water, and sanitation.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- Six additional contracts were awarded with a total value of \$10.7 million. The total number of contracts awarded as of December 1, 2007, is 34, with a value totaling \$45 million for projects in this category.
- Completed Circuit Rider Program that provided training to water ministry staff on how to operate and maintain the more than 1,000 rural water compact units constructed by the USG through various programs.
- Completed power systems design, electrical power engineering, and computer-aided design and drafting training for the KRG Ministry of Electricity.

b. Operations and Maintenance (O&M) Sustainment of Key U.S.-Funded Infrastructure

O&M Sustainment (\$285 million in ESF funds) will assist Iraqis to sustain U.S. investments in essential service infrastructure by providing in-plant services (such as combustion inspections and hot gas path inspections) and consumables and spare parts at major electricity power plants, water and wastewater plants, and select health, transportation, and communication facilities.

Projects in this category are implemented under an Interagency Agreement between U.S. Department of State and USACE, whose Gulf Region Division is responsible for executing and disbursing funds. Prioritized project lists have been approved that plan the use of all authorized funds, with 57 specific efforts identified that span O&M sustainment of U.S.-funded facilities in the essential service areas of electricity, health care, transportation, communication, water, and sanitation.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- An additional six projects have been awarded with a value of \$90.9 million. As of December 1, a total of 47 projects worth \$260.3 million have been awarded under the O&M sustainment projects.
- Completed O&M contract for the Consolidated Fiber Network.
- Completed Phase 3 of the Water Sector Sustainment Program (WSSP) for rural/small water projects throughout Iraq.
- Completed TAZA Kirkuk V94 & V64 Hot Gas Path and Combustion Inspections.

c. Agriculture Private Sector Development

The *Inma* private sector agribusiness development project (\$92.5 million in ESF) targets the formation and growth of agribusiness firms to stimulate and expand agriculture production, increase productivity, and achieve higher levels of employment. The project will identify and support new businesses and expand operations of privately-owned and operated businesses. This effort will complement specific supply chain enhancements to help Iraq meet its domestic food needs and revitalize a sector that employs over a quarter of Iraq's population.

Additionally, USAID will complement the Department of Agriculture's efforts (working with \$2.4 million in ESF) in helping implement national policy that promotes and supports commodity-focused agribusinesses. Specifically, these efforts are aimed at increasing the competitiveness of agribusiness enterprises, including by upgrading national food policies and regulations to meet international standards.

U.S. Government Implementing Agency: USAID

Accomplishments:

- Following a review of date sector assessment data collected over two months, began work with local date producers to revitalize their productivity.
- Worked with producers in Anbar province to increase added value on dates targeted for export.
- Worked with university horticulturalists and international seed hybridizers to identify four short-day onion hybrids that will perform well in various Iraqi provinces.

- Started construction of packing sheds of various sizes in the Qad'a region surrounding the city of Baghdad.
- Identified four wholesale/retail markets to be revitalized through technical assistance, infrastructure, and training.
- Began a feed grain project in Anbar province.
- Completed a Livestock Sector Rapid Appraisal that provides data on the wholesale supply of livestock at the production level relevant to the value chain of meat products in Diyala province and throughout Iraq.
- Began a detailed assessment of Euphrates fish farming operations, including fingerling production, fish feed quality, and water quality and quantity.

Objective 3: Political Track

a. Ministerial Capacity Development

The Ministerial Capacity Development Program (\$200 million in ESF) assists the Government of Iraq (GoI) in strengthening the capacity necessary for the effective delivery of public services, particularly in key national ministries (including the Ministries of Finance, Electricity, Oil, Municipalities and Public Works, Water Resources, Planning, Justice, Agriculture, and Health, as well as their Inspectors General) and anti-corruption organizations (including the Commission on Public Integrity and the Board of Supreme Audit). In addition to these ministries, USAID's *Tatweer* Project works closely with the Prime Minister's Office (PMO), Deputy Prime Minister's Offices (DPMO), and the Council of Ministries' Secretariat (COMSEC).

Activities include two main elements: specific, immediate support to key ministries through advisors dedicated to the ministry or institution; and support to improve approaches to key public administration functions, such as project management, procurement, human resources, building the capacity to deliver public services, and managing training programs in these areas to sustain this effort.

U.S. Government Implementing Agencies: Department of State and USAID

Accomplishments:

- State and USAID have worked with other U.S. agencies to increase the number of public management advisors (PMAs) within key Iraqi ministries and achieve a more rapid improvement in those ministries' performance. USAID has provided 55 advisors to these ministry Performance Management Teams, and the Departments of the Treasury and Health and Human Services provided an additional three experts for this effort.
- During the past three months, more than 2,500 Iraqi government civil servants went through training courses in public administration skills, raising the cumulative number trained to more than 5,000.
- Rolled out the Training of Trainers program in Baghdad's ministries as well as in the provinces of Northern and Southern Iraq. To date, 283 trainers (47 percent female) are using

their knowledge and skills in their own organizations and delivering training to their colleagues in the specialized core of administration.

- Orientation for the 100 awardees under Round III of USAID's scholarship program was conducted in Baghdad. Identification of university placement for Round III participants is under way.
- USAID's Civil Service Team was appointed by the Prime Minister of Iraq to serve as advisors to the newly formed Civil Service Reform Inter-Ministerial Committee, which was mandated to establish the Federal Civil Service Commission.
- Finalized a number of key activities for the Ministry of Planning and Development Coordination (MoPDC) including: the wireless network design; a draft organization structure and job descriptions for key positions; internet usage policy; translation of the domain name application for www.mopdc.gov.iq, a draft inventory process map, and a draft plan to register 1,000 email addresses for MoPDC staff.
- Training on Organizational Self-Assessment and Transformation Program conducted by *Tatweer* resulted in the North Oil Company at Baiji's buying in and requesting project assistance.
- Provided technical recommendations to the Prime Minister's Office (PMO) resulting in the ongoing development of a strategic plan for agriculture in Iraq.
- Provided IT training in the highly volatile province of Ninawa. While many participants have to be sent to the Erbil program to receive training, IT training is continually conducted in Mosul.
- Began providing technical assistance to the Presidency Administration.
- Supported the completion of six capacity development plans that were approved by the respective Ministers.
- Facilitated training workshops in October and December for Iraqis who expressed a desire to work in one of Iraq's Provincial Procurement Assistance Teams.
- In conjunction with the Defense Department's Business Transformation Agency, State has established three Procurement Assistance Centers and seven Procurement Assistance Teams across Iraq. These teams are tasked with providing policy planning and formulation to the central Ministry of Planning, as well as working with provincial government officials as they strive to establish viable procurement programs.

b. Policy, Legal, and Regulatory Reform

Programs in the area of policy, legal and regulatory reform (\$85 million in ESF funds) are ongoing. These efforts include assistance to the Ministry of Finance (MoF) and Central Bank of Iraq (CBI) in the areas of banking supervision, evaluation and enforcement of the reserve requirement, management, data collection, statistical analysis, and information technology management. Technical assistance is also being provided to the Government of Iraq (GOI) to implement a sound and transparent commercial legal framework, including the areas of company law and secured transactions, to foster the rule of law and promote a burgeoning private sector.

These programs also provide the GoI with technical assistance on pension matters, including the establishment of a pension administration system, the development of supervisory mechanisms to ensure adequate protection of funds and investments, and the implementation (with the

Pension Reform Steering Committee) of the recently passed Pension Law. This program will also help the GoI improve its employee payroll system. Further assistance to the GoI for FMIS is contingent on clear indications of Ministry of Finance engagement to fulfill its commitments to this project.

U.S. Government Implementing Agency: USAID

Accomplishments:

- Assisted the GoI in passing amendments to Law #27/2006, as drafted and submitted by the Pension Reform Steering Committee, paving the way for an equitable and fiscally sustainable pension system. The pension law addresses payments to all public sector employees, the military, and former Baathists, and will eventually include private sector employees as well.
- Provided assistance to the Tax Policy Unit (TPU) to implement a legislative tax reform program, with particular emphasis on a sales tax.
- Finalized the Census Materials Guide and forms and procedures needed to support the census of government employees. Advisors demonstrated to staff of the Ministry of Finance, the Steering Committee, and the Census Unit the materials that will be used to enable them to conduct this census, which is required by the IMF Stand-By Arrangement.
- Developed a data capture database to assist provincial governments in tracking investment projects throughout the country.
- Established a Fiscal Analysis Unit (FAU) within the Committee on Financial Affairs of the Council of Representatives, as requested by the Committee. The FAU provided its analysis of the 2008 budget as well as assistance reviewing other legislation.
- Assisted the CBI in developing IMF-compliant Income and Expense Reports to enable the CBI to collect this data from commercial banks as of year-end.
- Assisted the CBI in expanding and strengthening its Information Technology Infrastructure through the implementation of a new Data Center (Phase I of a two-stage process). Assisted in training CBI staff to properly handle and maintain this data center and intranet/internet functionality.
- Initiated Phase II of the Data Center Project upon receiving equipment to be used to create real-time connectivity between the CBI headquarters in Baghdad and its branches in Mosul, Erbil, Basrah, and Sulaymaniyah.
- Conducted Quarterly Business Registry mentoring sessions in Erbil and Sulaymaniyah.
- Conducted a conference on the Draft Secured Transactions Law and proposed Charges Registry.
- Conducted a workshop on Media and Public Communications for the Ministry of Labor and Social Affairs.
- Completed the Social Safety Net Phase I remediation process, including all outstanding issues relating to data entry.
- Conducted an impact assessment of the Ministry of Labor and Social Affairs' (MoLSA) \$30 million micro-lending program by carrying out field visits to evaluate private sector development and job creation.

- Conducted two workshops with the Ministry of Finance and the State Pension Department to prepare for the implementation and organization of the National Board of Pensions and the State Pension Fund.
- Conducted a workshop with the MoLSA and Rafidain Bank to facilitate clarification on business rules and ensure the transparent administration of the nationwide micro-lending program.

c. Democracy and Civil Society

Funding in the amount of \$56 million (FY 2006 budget), \$50 million (FY 2006 emergency supplemental appropriation), and \$30 million (FY 2007 supplemental appropriation) supports critical democracy-building programs as Iraqis transition to their first permanent, democratically-elected government. This funding supports efforts by the Council of Representatives to address a number of important governance issues through the legislative and constitutional process, and it provides capacity strengthening for the Independent Higher Electoral Commission of Iraq. ESF funds in this category also support the participation of women and minorities in the political process and civil society efforts. Under the FY 2007 continuing resolution, an additional \$15.3 million in ESF funds was provided to further support the National Democratic Institute's democracy-building programs.

U.S. Government Implementing Agencies: USAID and Department of State, Bureau of Democracy, Human Rights, and Labor (DRL)

Accomplishments:

USAID

USAID will provide grants to civil society organizations (\$30 million in ESF) doing work to mitigate conflict. This program began this quarter, and as of mid-December, several grant concept papers had been reviewed.

DRL

- Facilitated Research Directorate (RD) training for the Council of Representatives' Library Department staff on the use of highly-specialized cataloguing software. The RD staff who participated in the training now has the ability to train their colleagues to use the software.
- Conducted training for 15 members (including seven women) of the Iraqi parliament (MPs) regarding on-camera techniques, teaching them on ways to be more effective when appearing on camera.
- Conducted training on spokesperson skills and crisis communication management for 20 staff from the parliament's Media Directorate (MD) as well as leadership staff handling press and communications for the Speaker, First Deputy Speaker and Second Deputy Speaker.
- Facilitated the purchase of equipment for the RD and MD, including high volume copy machines and new computer/printing devices. The equipment is helping the directorates communicate more efficiently, resulting in better response times for MPs and their staff.

- Completed work on a professional RD Handbook that will be used as a promotional tool publicizing the products and services of the RD for the Iraqi Council of Representatives.
- Facilitated RD participation at the Beirut Book Fair to help increase the size and diversity of its collections for RD research purposes and for use by MPs and staff of the parliament.
- Supported the Iraqi Institute for Economic Reform (IIE) as it commenced a month-long project to study the topic of federalism in Iraq. IIE presented its findings at a conference attended by 60 people including prominent members of the Iraqi Council of Representatives, academics and representatives from pertinent civil society organizations.
- Supported the Civic Coalition for Minorities (CCM) in organizing 35 workshops, 20 roundtables, and one play in eight provinces, targeting a total of 3,730 persons, and to print and distribute materials advocating for the removal of references to religion, ethnicity, and first- or second-degree citizenship determination from all Iraqi Identification cards.
- Assisted the Rafadene Women's Coalition to carry out 16 workshops for a total of 400 participants from nine provinces representing civil society organizations, legal experts and provincial council members. Workshops were focused on the status of women's rights in Iraq and the role the Iraqi Council of Representatives can play to ensure those rights.
- Sponsored the broadcast of 10 radio shows on stations throughout Iraq as part of Campaign 25, a nation-wide initiative to lower the minimum candidacy age for parliament to 25, reaching out to a total of 200,000 listeners throughout Iraq.
- Sponsored the northern-based youth coalition youth festival in Erbil. Approximately 6,000 youth participated in the event, where the coalition advocated for lowering the age for candidacy for political office from 30 to 25.
- Conducted training-of-trainers session for 20 prominent youth activists from throughout Iraq to enhance their capacity to conduct workshops and seminars.
- Completed a large Youth Conference on campaigning techniques in Erbil with 88 individuals representing 19 different political parties and four civil society organizations from across the country attending.
- Trained 38 members of the Iraqi National Accord (INA) and Iraqi Islamic Party (IIP) on political leadership skills.
- Trained 25 participants from Basrah-based branches of seven political parties, focusing on writing effective press releases, message delivery and media relations as well as the use of focus groups in public opinion research purposes.
- Conducted three-day training for 14 staff members from the ASHARQ Center for Public Opinion & Research on quantitative research in general and focus groups in particular, emphasizing the necessary characteristics and roles of moderators and on the ideal methods of focus group moderation.
- Trained 10 political party members representing Supreme Islamic Iraqi Council (SIIC), Da'wa, and Da'wa/Iraq on comparative analysis between qualitative and quantitative research, the uses of focus groups, objectives of research, questionnaire development, recruitment, moderation, and methods of documentation.
- Trained 24 political party youth representatives in Basrah representing Da'wa and the Supreme Iraqi Islamic Council (SIIC) on political platform development and communication.
- Trained 23 members of the Kurdistan Democratic Party (KDP) Women's Union in Erbil on political party platform development, with a strong emphasis on lobbying and developing methods to influence the decision making processes within the broader party.

- Trained nearly 30 members of the Kurdish Islamic Union (KIU) mid-level province and municipal leadership on internal party communications and reporting.
- Trained 32 members of the Branch 23 leadership of the Kurdish Democratic Party (KDP) which is located in Makhmur and lost 30 of its senior leaders in May in a terrorist bombing. Efforts were aimed at their successors and focused on leadership, team building, direct voter contact, door-to-door campaigning, and campaign planning.
- Conducted three-day training for 21 female members of several political parties in order to enhance their capacities to function as viable members of their respective parties.

**d. Democracy, Human Rights, and Women's Issues
(funded through the Democracy Fund)**

In the FY07 Supplemental, \$250 million was provided for the Democracy Fund, with \$190 million appropriated to the Bureau of Democracy, Human Rights and Labor and \$60 million appropriated to USAID. Funding in the amount of \$190 million supports democracy, human rights, and women's issues in Iraq. To date, DRL has awarded more than \$124 million to support programs that focus on democracy and governance, human rights, and women's issues. The vast majority of the remaining Human Rights Democracy Funds are expected to be awarded to organizations through open competition and to fund program support costs.

U.S. Government Implementing Agencies: USAID and Department of State's Bureau of Democracy, Human Rights, and Labor (DRL)

Democracy and Governance (DRL)

- Organized and facilitated the Kirkuk Forum for civic and political activists from Kirkuk. The Forum was a platform for parties and citizens to use conflict resolution and negotiation skills to analyze community needs in the governorate and negotiate for mutually acceptable solutions. The successes of the Forum included: the collective discussion of participants from different interest groups, including parties and citizens from a number of different sects and ethnic groups; the utilization of skills from earlier trainings, including conflict resolution techniques such as open discussion and the consideration of multiple stakeholder viewpoints and interests; and the general agreement to continue the Forum as part of the crucial process to identify community-based solutions.
- Conducted strategic planning sessions for political parties (Iraqi Communist Party, Assyrian Democratic Movement, Iraqi Islamic Party, Supreme Iraqi Islamic Council, Fadhila) with representation in the Council of Representatives. The sessions were designed to identify common areas of party member and constituent needs, develop corresponding approaches to address these needs, and design and implement activities to support short and long-term benchmarks to meet the identified goals.
- Led a study mission of nine Members of Parliament to Northern Ireland. The mission provided participants with the opportunity to learn about the experiences of the Northern Ireland peace process, including community outreach and inter-party negotiations from a comparative perspective. The participants met with community and party leaders, local conflict resolution organizations, and organs of the official government devoted to continuing

the implementation of the peace accord. The discussions allowed the participants to identify and explore approaches used in Northern Ireland that could be adapted to address conflict-related challenges in Iraq. Included in the topics of discussion were: common security and policing; governance and power sharing; and the unique challenges of negotiating a workable solution to conflict.

- Initiated the Youth Empowerment Program, which targets 100 young civic activists from throughout Iraq to learn techniques to effectively identify and respond to community problems. The activists participate in training seminars that teach them communication skills, conflict resolution styles and methods, and participatory planning that emphasizes the inclusion of varied viewpoints in discussions. More than 150 submissions were received in response to a request for applications for enrollment in the program.
- Continued the Political Training Academy for 50 youth members representing more than 15 political parties. The Academy curriculum provides the participants with a foundation to gain and share various political skills, as well as to engage political party leadership and provide relevant input into policy decisions.
- Conducted Parliamentary Training Academy for members and staff of the Iraq Council of Representatives (Service and Labor, Finance and Economic Committees), Office of the President and the Council of Ministers' Secretariat on budget analysis, budget oversight and legislative drafting. The Training Academy focused on assisting the participants to gain fundamental skills in each area in order to improve the overall parliamentary process.
- Organized the National Community Mobilization Conference for 76 civic activists who participated in a previous Leadership Skills Development training series. The Conference served as an opportunity for trainees to present the accomplishments resulting from activities from their latest three-month work plans, and to formulate a 2008 national civic agenda to identify solutions to Iraqi citizens' most critical needs.
- Facilitated the establishment of a Multi-party Women's Caucus branch in Mosul as part of its program to advance the political participation of women in Iraq.

Human Rights (DRL)

- Continued to support the Marsh Arabs by spreading awareness on the atrocities inflicted upon the people between 1991 and 2003.
- Continued providing treatment for survivors of torture and trauma throughout Iraq.

Women's Issues (DRL and Office of International Women's Issues)

- Held a series of nine meetings with a number of TV stations and newspapers, including al-Sharqiya TV and al-Salam TV, which have agreed to collaborate on activities aimed at empowering women in the media by expanding informal networks of journalists to enhance their voices in the political process.
- Planned 2008 training protocol and established a preliminary list of participants for 2008 media trainings. The trainings will increase awareness of and support for women's issues, and will institutionalize and normalize gender sensitive reporting among media practitioners.
- Worked closely with al-Sharqiya TV and several other radio stations to address the particular political needs of poor, isolated, and/or illiterate women through TV and radio coverage, and

to finalize a plan for high-level professional training on, and media coverage of, women's issues in 2008.

- Improved the coverage of Iraqi women's issues in regional media through cooperation with independent Arab stations such as Dunya TV in Syria.

Elections (USAID) (\$27.45 million Democracy Funds, \$2.55 million ESF)

- Supported ongoing development of the Independent Higher Electoral Commission of Iraq (IHEC) and its newly appointed Board of Commissioners. IHEC Voter Registration Division obtained the PDS food distribution system and converted it successfully into a baseline voter registry for Iraq.
- Completed a baseline election readiness assessment of the governorate electoral offices (GEOs) throughout Iraq and worked with the IHEC to build the capacity of 19 GEOs to administer elections.
- Provided technical assistance to build the capacity of IHEC and equip the organization in preparation of a national election event in summer 2008 pending the adoption of federal election legislation and to publicly display and update the new voter registry. IHEC is now generally recognized as being ahead of the political clock on elections.

USAID programs currently under design (\$32.55 million Democracy Funds) include a Legislative Strengthening Project to assist the Council of Representatives in improving its operational capabilities (including training, advisors, equipment, and systems development for members and staff, to improve law-making, oversight, and constituency outreach abilities); and an Access to Justice program to strengthen Iraq's legal profession, with an anticipated focus on the Iraqi Bar Association, law schools, and legal aid.

e. Regime Crimes Liaison Office

Regime Crimes Liaison's Office (RCLO) programs (\$33 million in ESF funds) assist the Iraqi High Tribunal (IHT). The RCLO also serves as the lead Coalition office supporting the IHT's efforts to ensure the safety of witnesses, retained defense attorneys, and victims of crimes that are under investigation.

U.S. Government Implementing Agency: Department of Justice

Accomplishments:

- Supported the ongoing 1991 Intifada Uprising trial.
- Assisted the IHT with preparation of the Kuwait Invasion, Halabja, Marsh Arabs, and Merchants cases.
- Conducted training for IHT Appellate, Trial Chamber, and Investigative Judges.
- Completed the transfer of Secure Evidence files from Khademiya to the IHT courthouse compound in the International Zone.
- Made structural preparations for consolidation of the witness security camps and their future turnover to the U.S. Marshals Service.

- Further developed and began executing the plan for the drawdown of RCLO operations and staff in anticipation of transferring responsibility to the Iraqis.
- Reported on the ongoing security needs of the IHT.

f. Assistance to Refugees

The Department of State contributed \$30 million in reprogrammed FY06 ESF funds to the joint United Nations High Commissioner for Refugees (UNHCR) and United Nations Children's Fund (UNICEF) appeal for Iraqi refugee schoolchildren in Jordan, Syria, Lebanon, and Egypt, including school construction, teacher recruitment and training, remedial education, and community outreach programs.

U.S. Government Implementing Agency: Department of State, Bureau of Population, Refugees, and Migration (PRM)

Accomplishments:

- Approximately 100,000 Iraqi refugee children enrolled in public and private schools in Jordan and Syria for the 2007-2008 academic school year.
- UNHCR provided some 35,000 uniforms and school stationary to school children from families who could not afford uniforms.
- Rehabilitation of over 130 educational facilities.
- Provided scholarships to 300 Iraqi refugee students to have access to public and private universities in Syria.